

§ 19.3 Do these regulations adopt the Federal Claims Collection Standards (FCCS)?

This Part adopts and incorporates all provisions of the FCCS. This Part also supplements the FCCS by prescribing procedures consistent with the FCCS, as necessary and appropriate for Commerce Department operations.

Subpart B—Procedures To Collect Commerce Debts

§ 19.4 What notice will Commerce entities send to a debtor when collecting a Commerce debt?

(a) *Notice requirements.* Commerce entities shall aggressively collect Commerce debts. Commerce entities shall promptly send at least one written notice to a debtor informing the debtor of the consequences of failing to pay or otherwise resolve a Commerce debt. The notice(s) shall be sent to the debtor at the most current address of the debtor in the records of the Commerce entity collecting the Commerce debt. Generally, before starting the collection actions described in §§ 19.5 and 19.9 through 19.17 of this Part, Commerce entities will send no more than two written notices to the debtor. The notice(s) explain why the Commerce debt is owed, the amount of the Commerce debt, how a debtor may pay the Commerce debt or make alternate repayment arrangements, how a debtor may review non-privileged documents related to the Commerce debt, how a debtor may dispute the Commerce debt, the collection remedies available to Commerce entities if the debtor refuses or otherwise fails to pay the Commerce debt, and other consequences to the debtor if the Commerce debt is not paid. Except as otherwise provided in paragraph (b) of this section, the written notice(s) shall explain to the debtor:

- (1) The nature and amount of the Commerce debt, and the facts giving rise to the Commerce debt;
- (2) How interest, penalties, and administrative costs are added to the Commerce debt, the date by which payment should be made to avoid such charges, and that such assessments must be made unless excused in accord-

ance with 31 CFR 901.9 (see § 19.5 of this Part);

(3) The date by which payment should be made to avoid the enforced collection actions described in paragraph (a)(6) of this section;

(4) The Commerce entity's willingness to discuss alternative payment arrangements and how the debtor may enter into a written agreement to repay the Commerce debt under terms acceptable to the Commerce entity (see § 19.6 of this Part);

(5) The name, address, and telephone number of a contact person or office within the Commerce entity;

(6) The Commerce entity's intention to enforce collection by taking one or more of the following actions if the debtor fails to pay or otherwise resolve the Commerce debt:

(i) *Offset.* Offset the debtor's Federal payments, including income tax refunds, salary, certain benefit payments (such as Social Security), retirement, vendor, travel reimbursements and advances, and other Federal payments (see §§ 19.10 through 19.12 of this Part);

(ii) *Private collection agency.* Refer the Commerce debt to a private collection agency (see § 19.15 of this Part);

(iii) *Credit bureau reporting.* Report the Commerce debt to a credit bureau (see § 19.14 of this Part);

(iv) *Administrative wage garnishment.* Garnish the individual debtor's wages through administrative wage garnishment (see § 19.13 of this Part);

(v) *Litigation.* Refer the Commerce debt to the Department of Justice to initiate litigation to collect the Commerce debt (see § 19.16 of this Part);

(vi) *Treasury Department's Financial Management Service.* Refer the Commerce debt to the Financial Management Service for collection (see § 19.9 of this Part);

(7) That Commerce debts over 180 days delinquent must be referred to the Financial Management Service for the collection actions described in paragraph (a)(6) of this section (see § 19.9 of this Part);

(8) How the debtor may inspect and copy non-privileged records related to the Commerce debt;